

**31A-28-209 Plan of operation.**

- (1)
  - (a) The association shall submit to the commissioner a plan of operation and any amendments necessary or suitable to assure the fair, reasonable, and equitable administration of the association.
  - (b) The plan of operation and amendments described in Subsection (1)(a) are effective upon approval in writing by the commissioner.
  - (c) Any amendments made under this section after July 1, 1986, shall be made within 180 days of the changed circumstance.
- (2) The plan of operation shall continue in force until:
  - (a) modified by the commissioner; or
  - (b) superseded by a plan:
    - (i) submitted by the association; and
    - (ii) approved by the commissioner.
- (3) All member insurers shall comply with the plan of operation.
- (4) The plan of operation shall, in addition to requirements enumerated elsewhere in this part:
  - (a) establish procedures for handling the assets of the association;
  - (b) establish the amount and method of reimbursing members of the board of directors under Section 31A-28-206;
  - (c) establish regular places and times for meetings of the board of directors;
  - (d) establish procedures for records to be kept of all financial transactions of the association, the association's agents, and the board of directors;
  - (e) establish the procedures on how selections for the board of directors shall be made and submitted to the commissioner;
  - (f) establish a procedure for the disposition of dividends or distributions from the estate of the insolvent insurer;
  - (g) establish any additional procedures for assessments under Section 31A-28-208; and
  - (h) contain any additional provisions that are necessary or proper for the execution of the powers and duties of the association.
- (5)
  - (a) The plan of operation may provide that any or all of the powers and duties of the association, except those under Sections 31A-28-207 and 31A-28-208, are delegated to one of the following that performs functions similar to the association:
    - (i) a corporation;
    - (ii) an association; or
    - (iii) organization other than one described in Subsections (5)(a)(i) and (ii).
  - (b) A corporation, association, or organization described in Subsection (5)(a) shall:
    - (i) be reimbursed for any payments made on behalf of the association; and
    - (ii) be paid for its performance of any function of the association.
  - (c) A delegation under this Subsection (5) takes effect only with the approval of:
    - (i) the board of directors; and
    - (ii) the commissioner.

Amended by Chapter 363, 2001 General Session